

Message Text

LIMITED OFFICIAL USE

PAGE 01 BONN 04119 112124Z

20

ACTION AGR-08

INFO OCT-01 EUR-12 ISO-00 FEA-01 OPIC-03 XMB-02 CEA-01

CIAE-00 COME-00 DODE-00 EB-07 FRB-03 H-02 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 STR-04 ITC-01 TRSE-00 USIA-06 PRS-01

SP-02 OMB-01 IO-11 /112 W
----- 096406

R 111733Z MAR 76
FM AMEMBASSY BONN
TO SECSTATE WASHDC 7150
INFO USMISSION EC BRUSSELS
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
AMEMBASSY LONDON
AMEMBASSY LUXEMBOURG
AMEMBASSY PARIS
AMEMBASSY THE HAGUE
AMEMBASSY ROME

LIMITED OFFICIAL USE BONN 04119

E.O. 11652: N/A

TAGS: EAGR, ETRD, EEC

SUBJ: NON-FAT DRIED MILK MIXING REGULATION

REF: (A) STATE 57607, EC BRUSSELS 2431

1. EMBASSY PROTESTED COMMUNITY'S DECISION TO IMPLEMENT
NFDI MIXING REGULATION ON MARCH 11 TO DR. FREITAG, WHO
HEADS MFA DESK RESPONSIBLE FOR EC TRADE POLICY ISSUES,
AND TO AGMIN OFFICIALS.

2. FREITAG RECALLED THAT FRG HAD BEEN AGAINST MIXING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 04119 112124Z

REGULATIONS, BUT IN THE END DECIDED TO AGREE TO A

COMPROMISE WORKED OUT WITH THE FRENCH. ALTHOUGH THIS COMPROMISE INCLUDED A PRICE INCREASE, FREITAG ARGUED THAT OTHER ELEMENTS OF THE COMPROMISE WILL OVER TIME LESSEN THE SURPLUS NFDM PROBLEM. FRG HAD FOUGHT FOR COUNCIL DECISION FIXING DEFINITE DATE FOR IMPLEMENTING PRINCIPLE OF FINANCIAL CO-RESPONSIBILITY OF PRODUCERS AND SETTING FORTH A SPECIFIC MECHANISM TO BE FOLLOWED. THE COUNCIL REFUSED TO GO THIS FAR, BUT DID AGREE TO REQUEST THE COMMISSION TO MAKE PROPOSALS BY SEPTEMBER 1 FOR IMPLEMENTING CO-RESPONSIBILITY PRINCIPLE IN NFDM SECTOR. SUCH PROPOSALS WOULD FIRST GO INTO EFFECT DURING 1977-78 AGRICULTURAL YEAR. IN VIEW OF THIS DECISION, FREITAG DID NOT THINK WE WERE QUITE CORRECT IN CONTENDING THAT THE COMMUNITY HAS NOT ANNOUNCED ANY ACTION TO DEAL WITH THE CAUSES OF OVER-PRODUCTION. WHEN EMBOFF EXPRESSED DOUBTS ABOUT THE COMMISSION'S ABILITY TO COME FORTH WITH RECOMMENDATIONS HAVING ENOUGH TEETH TO ACT AS AN EFFECTIVE RESTRAINT ON PRODUCTION, FREITAG SAID THAT THIS WAS ALSO HIS CONCERN. FRG WOULD TRY TO MONITOR THE COMMISSION'S WORK, SO AS TO ENSURE THAT THE PROPOSAL IT RECOMMENDS WILL BE EFFECTIVE.

3. ACCORDING TO FREITAG, THE COUNCIL ALSO AGREED TO REDUCE INTERVENTION PRICES FOR NFDM BY 2 PERCENT ON MARCH 15 AND BY A FURTHER 1 PERCENT ON SEPTEMBER 16. NFDM PRICES WILL STILL BE DIRECTLY RELATED TO WHOLE MILK PRICES, BUT ONCE THIS RELATIONSHIP IS ESTABLISHED THE REDUCTIONS JUST AGREED UPON WILL BE APPLIED TO THE INTERVENTION PRICE. AS A THIRD MEASURE, THE COUNCIL AGREED TO INCREASE NFDM FOOD AID SHIPMENTS TO 200,000 TONS IN 1976. FREITAG HOPED THAT WE WOULD TAKE INTO ACCOUNT THESE ADDITIONAL MEASURES BY THE COMMUNITY TO DEAL WITH ITS NFDM SURPLUS. WHILE HE UNDERSTANDS WE WILL TAKE OUR COMPLAINT TO GATT, HE HOPES WE WILL TRY TO AVOID A MAJOR CONTROVERSY THERE, FOR SUCH A CONTROVERSY WOULD DO NEITHER SIDE ANY GOOD.

4. REPRESENTATION AS PER REFERENCED CABLE MADE TO MINAG LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BONN 04119 112124Z

OFFICIALS MARCH 11. MINAG WITHHOLDING COMMENT AT THIS TIME. AGATT WILL REPORT FURTHER AFTER MINAG HAS TIME TO CONSIDER REPRESENTATION.
HILLENBRAND

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGRICULTURAL POLICIES, NONFAT DRIED MILK, AGRICULTURAL PRICE SUPPORTS, FOOD & DRUG REGULATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BONN04119
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760093-0883
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760373/aaaacvlz.tel
Line Count: 111
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AGR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 57607, 76 EC BRUSSELS 2431
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 31 MAR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31 MAR 2004 by MartinML>; APPROVED <29 JUL 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NON-FAT DRIED MILK MIXING REGULATION
TAGS: EAGR, ETRD, EEC, (FREITAG)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006